

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)
BUTLER COUNTY WATER SYSTEM, INC.) CASE NO. 91-389

O R D E R

On October 25, 1991, Butler County Water System, Inc. ("Butler County") filed its revised tariff with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to the purchased water adjustment procedure, KRS 278.012 and 807 KAR 5:068. Subsequently, on November 4, 1991, Butler County filed a revised tariff sheet with a corrected rate of the minimum bill for the 5/8 x 3/4 inch meter. The record is now complete.

The Commission, having reviewed the evidence of record and being otherwise sufficiently advised, finds that:

1. Butler County purchases water from the city of Morgantown ("Morgantown"), Ohio County Water District ("Ohio County"), and Warren County Water District ("Warren County").

2. Effective with the water billing December 1, 1991, Morgantown will increase its rate for wholesale water from 88.3 cents to 95.36 cents per 1,000 gallons. The rates charged by Ohio County and Warren County have not been changed.

3. Butler County proposes to increase the rates to its customers effective December 1, 1991. The average monthly bill

will increase from \$17.39 to \$17.76, which is an increase of 2.13 percent. These monthly bills are derived from information contained in Butler County's 1990 annual report, which is incorporated by reference herein.

4. During the 12 months ending August 31, 1991, Butler County purchased a total of 149,468,500 gallons of water. Butler county purchased 147,496,500 gallons from Morgantown, 1,207,500 gallons from Ohio County, and 764,500 gallons from Warren County.

5. Butler County sold 128,470,654 gallons of water during the 12-month period ending August 31, 1991.

6. The increase in Butler County's purchased water costs is \$10,413, which results in a purchased water adjustment of 8 cents per 1,000 gallons of water.

7. The purchased water adjustment of 8 cents per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and should be approved.

8. The classification of service, 1st Revised Sheet No. 1 and 1st Revised Sheet No. 1B, filed by Butler County October 25, 1991 are correct and should be approved as filed. The 1st Revised tariff sheet No. 1A filed by Butler County November 4, 1991 is correct also and should be approved as filed.

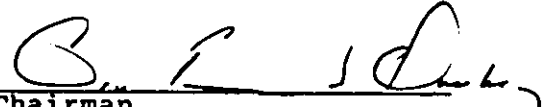
IT IS THEREFORE ORDERED that:


1. The purchased water adjustment of 8 cents per 1,000 gallons and the rates in Appendix A are hereby approved for services rendered on and after December 1, 1991.

2. The 1st Revised tariff sheet No. 1 and 1st Revised tariff sheet No. 1B filed by Butler County October 25, 1991 are approved as filed. The 1st Revised tariff sheet No. 1A filed by Butler County November 4, 1991 is approved as filed.

Done at Frankfort, Kentucky, this 18th day of November, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 91-389 DATED 11/18/91

The following rates and charges are prescribed for the customers in the area served by Butler County Water System, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

DOMESTIC, INDUSTRIAL, FARM, AND COMMERCIAL

Rate Increments

Monthly Rates

5/8 x 3/4 Inch Meter

First	2,000 gallons	\$9.53 Minimum bill
Next	4,000 gallons	3.08 per 1,000 gallons
Next	44,000 gallons	2.68 per 1,000 gallons
Next	50,000 gallons	2.28 per 1,000 gallons
Over	100,000 gallons	1.36 per 1,000 gallons

1 Inch Meter

First	5,000 gallons	\$20.30 Minimum Bill
Next	1,000 gallons	3.08 per 1,000 gallons
Next	44,000 gallons	2.68 per 1,000 gallons
Next	50,000 gallons	2.28 per 1,000 gallons
Over	100,000 gallons	1.36 per 1,000 gallons

1 1/2 Inch Meter

First	10,000 gallons	\$36.39 Minimum Bill
Next	40,000 gallons	2.68 per 1,000 gallons
Next	50,000 gallons	2.28 per 1,000 gallons
Over	100,000 gallons	1.36 per 1,000 gallons

2 Inch Meter

First	16,000 gallons	\$55.14 Minimum Bill
Next	34,000 gallons	2.68 per 1,000 gallons
Next	50,000 gallons	2.28 per 1,000 gallons
Over	100,000 gallons	1.36 per 1,000 gallons

3 Inch Meter

First 30,000 gallons
Next 20,000 gallons
Next 50,000 gallons
Over 100,000 gallons

\$96.87 Minimum Bill
2.68 per 1,000 gallons
2.28 per 1,000 gallons
1.36 per 1,000 gallons

4 Inch Meter

First 50,000 gallons
Next 50,000 gallons
Over 100,000 gallons

\$156.58 Minimum Bill
2.28 per 1,000 gallons
1.36 per 1,000 gallons

6 Inch Meter

First 100,000 gallons
Over 100,000 gallons

\$228.15 Minimum Bill
1.36 per 1,000 gallons